

Press Clipping Article

Title: Energy will drive farm bill

Date: 01/03/2007

Source: Elizabethtown News-Enterprise

Writer: JOHN FRIEDLEIN

Lead:

Energy issues are expected to influence lawmakers crafting the federal 2007 farm bill, especially now that Democrats are in charge of both houses.

Article:

HARDIN COUNTY — Energy issues are expected to influence lawmakers crafting the federal 2007 farm bill, especially now that Democrats are in charge of both houses.

While incentives to expand ethanol production could be on tap, at least one local farm leader is worried the alternative energy boom that has spiked corn prices may lead officials to believe grain growers need less support.

Partly because of the increased potential for Washington gridlock, the farm bill may not be ready until next year but it will affect local producers for five years. These farmers want the new farm bill pretty much to look like the current one.

At least that's the Farm Bureau's stance, said Larry Thomas, an Elizabethtown producer who serves on the state agency's board.

Specifically, grain farmers don't want to see cuts in the millions of dollars in subsidies flowing into the county. But several factors are against them, such as: lawmakers face a budget deficit, President Bush supports cuts and the costly Iraq war continues.

But, citing high grain prices, Thomas argues the farm bill is working, and anyway, it's \$100 billion — a "drop in the bucket" of the \$2.5 trillion federal budget, he said.

His biggest concern is the change in leadership. He's happy with the farm bill passed by the Republican congress in 2002, and he's not sure what the next one may look like.

Thomas has heard the possibility of a 2 to 4 percent cut in grain subsidies, which are especially helpful in this area because farms are smaller than many in the Midwest — but have the same input costs.

U.S. Rep. Ron Lewis, R-Cecilia, said in an e-mail that the leadership change will have little effect on the farm bill. There will be, however, "some modifications and budget consideration," he said.

"I am hopeful that there will be an expanded and aggressive energy policy in this bill that will bring new opportunities for economic growth in rural communities throughout Kentucky," he said.

Extension agent Rod Grusy said, "Of course the money pot is going to be much smaller."

He wouldn't guess how much and hasn't heard predictions, although he might hear plenty of them next week when he attends a corn and soybean conference in Illinois.

Concerns about the World Trade Organization could put pressure on subsidies, which some countries see as unfair.

The hot topic for this farm bill, though, seems to be energy and the environment.

Ironically, the increased demand for fuels that are cleaner than petroleum is putting environmentally sensitive areas — such as highly erodable land — at risk. Officials could add incentives to keep this land out of production, or it could cut into the program, Grusy said.

Thomas said one option would be opening up land now under the conservation plan and installing filter strips to keep pesticide and erosion from streams.

Another would be opening the land for grass crops used in ethanol production.

While growers stand to gain from the ethanol boom, livestock producers who buy these increasingly expensive crops for feed are losing money. And they feel under-represented when it comes to farm bill assistance. There's talk among farmers of involving vegetable producers, too.

Rineyville cattleman Chuck Crutcher, who's part of a pilot program that ships calves to an Iowa feedlot, is paying about 20 cents more a pound to fatten his animals than last year.

When it comes to the farm bill, livestock producers "need to have something out there," he said.

Previous Page Return to Search

Copyright © 2001-2003 Commonwealth of Kentucky.

All rights reserved.

Generated Date: 2/8/2007 4:36:30 PM